

Agenda

Item #2



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

To: Commissioners
From: Jonathan Wayne, Executive Director
Date: February 21, 2012
Re: Complaint against State Treasurer Bruce L. Poliquin

Summary

Constitutional officers, Legislators, and certain managers in Maine state government are required to file an annual disclosure statement that lists the sources of their personal income and any positions that they hold in commercial, nonprofit, or other organizations. This matter concerns whether the Statement of Sources of Income (SOSOI) that the Ethics Commission received from State Treasurer Bruce L. Poliquin for calendar year 2010 was complete.

On January 18, 2012, the Maine Democratic Party filed the attached complaint against Mr. Poliquin. The complaint noted that Mr. Poliquin is the registered agent for Dirigo Holdings, LLC and the owner of the Popham Beach Club, and that neither of these businesses was included in his 2010 SOSOI which he filed on February 16, 2011. The complaint requests that the Commission find that Mr. Poliquin violated Maine law by not disclosing his 2010 business dealings and to assess the maximum penalty under the law. Mr. Poliquin's original 2010 statement (handwritten) is attached to the complaint.

By letter dated January 20, 2012, I asked the State Treasurer to respond to the complaint. He filed a response on February 3, 2012. With his response, Mr. Poliquin included an amended SOSOI for 2010 (typed), which includes some information that should have been included in the original SOSOI. I expect that Mr. Poliquin will attend the Commission's February 29, 2012 meeting to further respond to the complaint.

The Commission staff recommends that you find that his originally filed SOSOI did not fully comply with the disclosure requirements of 5 M.R.S.A. § 19. We do not believe that the Commission is authorized to assess any financial penalty under these circumstances.

Personal Financial Disclosure Requirements

Reporting by administrative officials

The requirement for administrative officials to disclose the sources of their personal income and positions in organizations is set out in a single statute, 5 M.R.S.A. § 19 (attached). The requirement applies to the Governor, the constitutional officers, the State Auditor, and certain managers of executive branch and independent agencies of state government. Together these officials are referred to in 5 M.R.S.A. § 19(1) as “executive employees,” which is a term used by Mr. Poliquin in his response. Below I will refer to these officials as “administrative officials” or “officials.”

Reporting by Legislators

In addition, members of the Maine Legislature must file an annual statement that includes almost exactly the same information, under a different title of the Maine Revised Statutes (1 M.R.S.A. §§ 1016-A, 1016-B & 1016-E).

Purpose of disclosure

Personal financial disclosure is required for lawmakers and administrative officials by the United States government and many state and municipal governments. The requirements vary by jurisdiction. Generally, the disclosure of personal finances can serve various functions.

- The disclosure can assist members of the public (including the press and policy advocates) in identifying whether an official is engaged in any personal employment or other activities or has any financial or organizational interests that could conflict with – or otherwise affect – the performance of their public duties.
- The reporting of gifts (the official’s receipt of money or anything of value) is intended to shed light on whether anyone is seeking to influence officials inappropriately by providing them with money and anything of value.

- Reporting of positions in non-profit or business firms assists the public in identifying whether an official has used his or her public position to assist some organization in which the official has an interest.
- The disclosure of sales to government agencies is intended to reveal whether the official has used his or her governmental position to obtain any commercial opportunities in selling goods or services to the state. A bill initiated by Governor Paul LePage to expand this requirement, LD 1806, is scheduled for a public hearing on February 22, 2012.

Specific Information that Must be Disclosed by Administrative Officials

Officials are required to disclose the *sources* that provided them income of \$1,000 or more during the calendar year covered by the SOSOI, including:

- income from employment by another person or firm (Part 1 of SOSOI)
- income from self-employment, defined to mean compensation received for providing services to others under contract (*i.e.*, as an independent contractor) (Part 2.A)
- clients that paid the self-employed official 10% or more of their income (Part 2.B)
- other sources of income of \$1,000 or more received by the official (Part 3)
- loans of \$3,000 or more received by the official that are not secured by collateral (Part 4)
- gifts received by the official (the Commission has interpreted this to include travel or accommodations) (Part 5)
- honoraria (Part 6)
- compensation received for representing clients before state agencies (Part 7)
- sales of goods or services to state agencies (Part 8), and
- income received by members of the official's immediate family (Part 9).

In evaluating Mr. Poliquin's original SOSOI, it is worth noting that for most of these categories, disclosure is tied to *income*. If the official owns a property – or engages in some activity – that does not result in the official receiving \$1,000 or more in income, generally the official is *not required* to disclose that property or activity.

In 2008, the Legislature decided to require officials to disclose a new type of information:

[a]ny offices, trusteeships, directorships or positions of any nature, whether compensated or uncompensated, held by the executive employee with any for-profit or nonprofit firm, corporation, association, partnership or business

(5 M.R.S.A. § 19(2-A)) Beginning with the 2009 SOSOI, the Commission staff established a new Part 10 of the reporting form to receive this information. We have administered this requirement for two reporting years and have received relatively few requests for clarification concerning this requirement. After giving this new reporting requirement further consideration, we believe the Commission's instructions for the SOSOI should provide better guidance to officials (*e.g.*, more examples) concerning which offices and positions must be disclosed in Part 10.

Forms, Instructions, and Advice

The Maine Legislature has authorized the Commission to adopt "procedures and forms for [SOSOI] reporting and to administer this section." (5 M.R.S.A. § 19(5)) The Commission began receiving SOSOIs from administrative officials in 2009. Previously, officials filed the SOSOIs with the Secretary of State. I have attached the two-page instructions that were available to officials such as Mr. Poliquin who were completing the 2010 SOSOI.

The front page of the SOSOI reporting form encourages officials to call the Commission if they have "any questions about this form, your reporting requirements, or how to report specific situations." Most officials who have had contact with our office know that the Commission staff is very accessible for purposes of seeking advice about reporting requirements. We regularly receive calls from Legislators and administrative officials about how to apply the SOSOI reporting requirements to their specific situations.

Mr. Poliquin's Response and Amended 2010 SOSOI

On February 3, 2012, Mr. Poliquin provided a detailed, five-page response. In the response, the Treasurer has provided information that he was not required to disclose by law. He states that he intended to fully comply with the letter and spirit of the reporting

requirements and that he had no employment or investment income that created any conflict of interest for him as the Treasurer of the State of Maine. (Poliquin Letter, at 1) He also states that the sources of his income have not compromised his ability to give full attention and fidelity to fulfilling his public responsibilities.

I have enclosed an Advisory Opinion dated February 10, 2012 of Attorney General William J. Schneider concerning whether Mr. Poliquin has engaged in “any business or trade or commerce,” which is prohibited by Article V, Part 3, Section 3 of the Maine Constitution. This is provided for your reference, because it includes supplemental information concerning Mr. Poliquin’s relationship to two businesses.

Mr. Poliquin enclosed with his response an amended 2010 SOSOI, which was typed and dated February 3, 2012. In the response, he explains that “with a better understanding of some of the technical requirements pertaining to this disclosure process and, quite frankly, of the meaning of some parts of the disclosure form itself which I believe to be unclear and confusing, I recognize that it is appropriate to amend my 2010 Income Disclosure Statement.”¹ (Poliquin Letter, at 5)

The State Treasurer asks the Commission to dismiss the complaint and to reject the financial penalty proposed by the Maine Democratic Party.

Dirigo Holdings, LLC

Mr. Poliquin explains that he is the sole member of and registered agent for Dirigo Holdings, LLC, which is a limited liability company organized in Maine. Dirigo Holdings, LLC is the developer of the Popham Woods Condominiums in Phippsburg, Maine. (I have attached the 2005 Articles of Organization and the most recent Annual Report on file with the Maine Secretary of State.)

¹ Mr. Poliquin offered specific criticism of only one instruction in the form, which is discussed in footnote 2 of this memo.

Mr. Poliquin states that in 2010 he did not receive any distribution or income from Dirigo Holdings, LLC. He adds:

Other than periodically providing funds for the payment of expenses and periodically consulting with the manager/bookkeeper, who oversees the operation and management of Dirigo Holdings, LLC and Popham Woods Condominium, I am not engaged in the operations or management of these real estate investments.

(Poliquin Letter, at 3) The Attorney General's Opinion contains some additional information:

- The Maine Department of Environmental Protection issued a 2007 site location development order indicating that Dirigo Holdings planned to develop 69 units on the property; the estimated project cost was \$17,279,000; and that Dirigo Holding, LLC intended to self-finance the project.
- Mr. Poliquin stated that Dirigo Holdings, LLC employs a manager and bookkeeper who are responsible for the operation and management of the limited liability company.
- Mr. Poliquin has the sole signatory authority for the bank account of Dirigo Holdings, LLC.
- The condominium properties are marketed by Allen & Selig Realty of Freeport, Maine.

In the original SOSOI filed in early 2011, Mr. Poliquin did not disclose that he was a member or registered agent of Dirigo Holdings, LLC. He has included this information in the amended SOSOI that he filed on February 3, 2012 with his response to the complaint.

Popham Beach Club

In Mr. Poliquin's response, he explains that he owns the Popham Beach Club personally. The club is not owned by a separate legal entity. The Advisory Opinion by the Attorney General states that the club has three employees, including a manager, bookkeeper, and groundskeeper. The club has a checking account, and Mr. Poliquin has sole signatory authority for the account. Mr. Poliquin pays all of the expenses of the club.

In Part 3 of the amended SOSOI, Mr. Poliquin discloses receiving income from the Popham Beach Club in the form of membership dues. This income was not reported in his originally filed 2010 SOSOI. In his narrative response to the complaint (second page), Mr. Poliquin explains:

In 2010, the Popham Beach Club had gross receipts of \$9,750 from membership dues, which were more than offset by expenses incurred by that real estate investment, resulting in a net loss for the year. Because of this net loss in 2010, I did not believe that the Popham Beach Club should be listed as a source of income to me.

He states that he does not hold any offices in connection with the beach club.

Investment Income

In Part 3 of his original SOSOI (for Other Sources of Income), Mr. Poliquin disclosed that he had received investment income in 2010 from three sources:

- Zweig-Dimenna Partners, L.P., an investment management limited partnership
- C.K. Capital, L.P., an investment management limited partnership
- Vanguard Funds

In the amended SOSOI, Mr. Poliquin listed Zweig-Dimenna, L.P. and C.K. Capital, L.P. income in Part 2.A. of the form, rather than Part 3. He listed the income here, because of the second sentence of guidance in Part 2.A. (“If associated with a partnership, firm, professional association, or similar business entity, list the major areas of economic activity or practices of that entity.”)²

Limited partnerships in two investment management firms

In Part 10 of his amended SOSOI, he disclosed that he is a limited partner in Zweig-Dimenna, L.P. and C.K. Capital, L.P. In his original SOSOI, Mr. Poliquin did not disclose that he was a limited partner in these firms. Mr. Poliquin notes that he is “not engaged in any way in the operation or management of these limited partnership investments.” (Poliquin Letter, at 3)

² The staff believes that this sentence should be moved so that filers understand that Part 2.A of the form relates only to self-employment income consisting of compensation received for providing services to others under contract.

Marshall Mall Associates

In Part 2.A of his amended SOSOI, Mr. Poliquin disclosed that in 2010 he received non-cash income from Marshall Mall Associates of Philadelphia, Pennsylvania. He described this as “a real estate investment dating back some 25 years.” (Poliquin Letter, at 3) This income was not included in his original 2010 SOSOI. In his letter (at 3, bottom paragraph), Mr. Poliquin explains that:

I had approximately \$13,000 in passive, non-cash income from this investment in 2010. I did not recall this non-cash income at the time I completed my statement, and so I mistakenly did not list this partnership investment as a source of income in my disclosure form, unlike listing my other sources of income in Part 3 of the Statement.

(Poliquin Letter, at 3-4) In Part 10 of his amended SOSOI, he discloses that he is a limited partner of Marshall Mall Associates.

Popham Woods Condominium Unit Owners' Association

In Part 10 of his amended SOSOI, Mr. Poliquin disclosed that he holds the office of President of the Popham Woods Condominium Unit Owners' Association.

Staff Recommendations

Information Missing from Original 2010 SOSOI

Based on the information available, it appears the original 2010 SOSOI filed by Mr. Poliquin disclosed the most significant sources of his 2010 income (*i.e.*, investments at Zweig-Dimenna, CK Partners, and Vanguard Funds). Nevertheless, his original 2010 SOSOI did not include three sources of income:

- Popham Beach Club (\$9,750 in receipts from membership dues)
- Non-cash income he received from Marshall Mall Associates
- Income received by his son during a summer internship.

The staff believes that Mr. Poliquin was not required to report Dirigo Holdings, LLC as a source of income for 2010. The company is a separate legal entity from the Treasurer, which he states did not provide him with any income in 2010.

When Mr. Poliquin filed his original 2010 SOSOI, he did not disclose that he had any offices or positions in for-profit or non-profit organizations during 2010. His amended SOSOI indicates that he was required to disclose his positions in Dirigo Holdings, LLC and the Popham Woods Condominium Unit Owners' Association, and three limited partnerships.

Recommended finding

The staff views the original SOSOI as substantially compliant but incomplete. In the interest of encouraging full compliance by *all* covered officials, we recommend that at your February 29, 2012 meeting you find that the 2010 Statement of Sources of Income filed by Mr. Poliquin did not fully comply with the disclosure requirements in 5 M.R.S.A. § 19. If you wish to make some alternative finding at the February 29 meeting that characterizes the degree of compliance differently, the Commission's staff and Counsel would be happy to assist you.

Request by Maine Democratic Party for Financial Penalty

The Maine Democratic Party has requested that the Commission assess "the maximum penalty available under Maine law." The penalty subsection in 5 M.R.S.A. § 19(4) states:

- 4. Penalties.** Failing to file the statement within 15 days of having been notified by the Commission on Governmental Ethics and Election Practices of failing to meet the requirements of subsection 2 is a civil violation for which a fine of not more than \$100 may be adjudged.

Thus, it appears that the Commission may assess a penalty under this subsection only if the Commission has notified the official that he or she failed to meet the disclosure requirements and the employee did not file a compliant statement within 15 days of that notice. In this instance, Mr. Poliquin has addressed all known inadequacies in the original report voluntarily, without receiving any notice from the Commission. So, the staff believes that the Commission may not assess a civil penalty under these circumstances.

Ambiguities in Current Reporting Requirements

This complaint has caused the Commission staff to consider whether 5 M.R.S.A. § 19(2-A) requires officials to disclose their membership in a limited liability company as an “office[] ... or position[] of any nature ... with any for-profit ... firm” After conferring with the Commission’s Counsel, we are inclined to advise that such reporting *is* required for officials who are a member of a limited liability company.

Also, we have debated whether the term “income” should be interpreted to mean *gross* income (before any expenses or costs are deducted) or *net* income (after expenses or costs are deducted). In certain circumstances, this interpretation could determine whether an official was required to disclose a business or investment (such as the Popham Beach Club) which received gross income over \$1,000 but no net income. We are considering whether to suggest a clarification of this issue when the Joint Standing Committee on Veterans and Legal Affairs considers personal financial disclosure later this month in connection with LD 1806. If you have any thoughts or guidance for the staff on these issues, we would be happy to receive them before or at the February 29, 2012 meeting.

Improving the Instructions

In the coming weeks, the Commission staff will be working on improvements to the instructions and to the short descriptions on the forms. The next filing deadline for administrative officials is April 13, 2012, when they must file the SOSOIs covering 2011. For the sake of convenience, the instructions for the SOSOI form for Legislators and administrative officials have been printed on a single sheet of paper of paper (front and back sides) that fit as an insert within the foldout SOSOI form. While a single page of instructions has been convenient for the filers to handle, after conducting a quick review of the personal disclosure forms used in other states, the Commission staff now believes that additional instructions could provide greater clarity for filers (more examples, using plain language rather than repeating confusing statutory drafting, *etc.*).

Thank you for your consideration of this memo.



Mr. Jonathan Wayne
Executive Director
Maine Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333

January 18, 2012

Complaint against State Treasurer Bruce Poliquin

Dear Jonathan,

On behalf of the Maine Democratic Party, I am filing a formal complaint against State Treasurer Bruce Poliquin. I respectfully request that the Commission find that the most recent income-disclosure statement filed by Treasurer Poliquin in February of 2011 fails to comply with the statutory reporting requirements. After having made such a finding, I respectfully urge the Commission to assess, at the same time or later hearing, the maximum penalty available under Maine law.

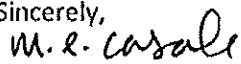
Under M.R.S. Title 5 section 19 (2)(B) "If the executive employee is self-employed, the name and address of the executive employee's business and the name of each source of income derived from self-employment that represents more than 10% of the employee's gross income or \$1,000, whichever is greater, except that, if this form of disclosure is prohibited by statute, rule or an established code of professional ethics, the employee shall specify the principal type of economic activity from which the income is derived. With respect to all other sources of income, a self-employed executive employee shall name each source of income of \$1,000 or more. The employee shall also indicate major areas of economic activity and, if associated with a partnership, firm, professional association or similar business entity, the major areas of economic activity of that entity;"

According to the secretary of state, Treasurer Poliquin serves as the corporation's clerk and registered agent of Dirigo Holdings LLC (see page 5). Dirigo Holdings has a housing development in Popham Woods that is currently marketing single and duplex condominiums that come with automatic memberships to the Popham Beach Club. According to the Phippsburg tax assessor's list, Treasurer Poliquin listed as both the contact person for all Dirigo Holdings properties (see pages 7-8) and as the outright owner of the Popham Beach Club. According to public records and news reports, Treasurer Poliquin has recently filed paperwork and personally advocated on behalf of Dirigo Holdings.

In the most recent financial disclosure form filed in February 2011 by Treasurer Poliquin (see pages 2-5), Part 2, *Income Derived from Self-Employment or Law Practice*, is left blank. Part 3, *Other Sources of Income* mentions several investment funds but lists nothing related to Dirigo Holdings. Part 10, *Officer or Director Positions* is left blank, disclosing no information about Dirigo Holdings.

Treasurer Poliquin's business dealings have not been listed on his legally required Financial Disclosure form. Under Title M.R.S. Title 5 section 19 (4), "...failing to be meet the requirements of subsection 2 is a civil violation for which a fine of not more than \$100 may be adjudged."

Pursuant to the foregoing reasons, the Maine Democratic Party respectfully requests that the Commission rule that the Treasurer Bruce Poliquin violated Maine law and assess the maximum penalty under the law.
Thank you for your attention to this matter.

Sincerely,

Mary Erin Casale
Executive Director

2010 Calendar Year



RECEIVED

FEB 16 2011

COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
 Mail: 135 State House Station, Augusta, Maine 04333
 Office: 45 Memorial Circle, Augusta, Maine
 Website: www.maine.gov/ethics
 Phone: 207-287-4179 Fax: 207-287-6775

CONSTITUTIONAL AND STATUTORY OFFICERS
2010 STATEMENT OF SOURCES OF INCOME (5 M.R.S.A. § 19)

Covering the calendar year January 1, 2010 through December 31, 2010. Please file this statement with the Maine Ethics Commission no later than December 31, 2010. Please contact Commission staff at 287-4179 or come to the Commission office at 45 Memorial Circle, Augusta, if you have any questions about this form, your reporting requirements, or how to report specific situations.

NAME AND CONTACT INFORMATION	
Name <u>Bruce L. Poliquin</u>	Title <u>State Treasurer</u>
Department/Agency/Bureau/Division <u>Office of the State Treasurer</u>	Work Phone <u>207-624-7477</u>
Mailing Address, City, ZIP <u>Cross Building, 111 Sewall Street, 3rd Floor, 39 State House Station, Augusta,</u>	

PART 1. INCOME DERIVED FROM EMPLOYMENT BY ANOTHER

ME 04333-0039

List the name and address of each employer from whom you received compensation of \$1,000 or more. Specify the principal type of economic activity of each employer.

☐ None

Name of Employer	Address	Principal Type of Economic Activity of Employer

PART 2. INCOME DERIVED FROM SELF-EMPLOYMENT OR LAW PRACTICE

A. List the name and address of your business or law firm, if any, and list the major areas of economic activity or practice from which you derived income. If associated with a partnership, firm, professional association, or similar business entity, list the major areas of economic activity or practice of that entity.

☐ None

Name and Address of Business Entity or Law Firm	Major Areas of Economic Activity/ Practice (self)	Major Areas of Economic Activity/ Practice (partnership, association, firm or similar business entity)
Name: Address:		
Name: Address:		

PART 2 (continued). INCOME DERIVED FROM SELF-EMPLOYMENT

B. List each source of income derived from self-employment or practice that represents more than 10% of your gross income or \$1,000, whichever is greater, and specify the principal type of economic activity of the entity or person from whom you derived such income. If this form of disclosure is prohibited by law, rule, or an established code of professional ethics, specify only the principal type of economic activity of the entity or person from whom the income was derived.

Name and Address of Source	Principal Type of Economic Activity of Entity or Person Who is the Source of the Income
Name: Address:	
Name: Address:	

PART 3. OTHER SOURCES OF INCOME

List each source of income of \$1,000 or more not listed in Parts 1 or 2 of this form. Do not include gifts or honoraria. If none, check the box.

☐ None

Name and Address of Source	Kind of Income (investments, leases, etc.)
Name: Zweig-DiMeina Associates Address: 900 Third Avenue, New York, NY 10022	investments
Name: CK Partners Address: Miami, Florida	investments
Name: Vanguard Funds Address: Valley Forge, PA	investments

PART 4. REPORTABLE LIABILITIES

List the names of creditors for any unsecured loans of \$3,000 or more that you received during the reporting period, and list the major areas of economic activity of each creditor. Do not list credit card liabilities, or educational loans, loans from a relative, loans that were made as campaign contributions, or business loans from regulated financial institutions. If none, check the box.

☐ None

Name and Address of Creditor	Principal Type of Economic Activity of Creditor
Name: Address:	
Name: Address:	

PART 5. REPORTABLE GIFTS

List the specific source of gifts received during the reporting period with an aggregate value of more than \$300. If none, check the box.

☐ None

Name of Source of Gift	Name of Source of Gift
1.	3.
2.	4.

PART 6. REPORTABLE HONORARIA

List the source of any honoraria accepted for appearances or speeches related to your official capacity or duties. If none, check the box.

☐ None

Name of Source of Honoraria

Name of Source of Honoraria

1.

3.

2.

4.

PART 7. REPRESENTATION BEFORE STATE AGENCIES

List each executive branch agency before which you or a member of your immediate family represented or assisted others for compensation of any amount other than your official salary. Indicate whether you or a family member appeared before the agency. If none, check the box.

☐ None

Name of Agency

Name of Agency

1.

3.

2.

4.

PART 8. BUSINESS WITH STATE AGENCIES

List each executive branch agency to which you or a member of your immediate family sold goods or services with a value in excess of \$1,000 during the reporting period. Indicate whether you or a family member sold the goods or services. If none, check the box.

☐ None

Name of Agency

Name of Agency

1.

3.

2.

4.

PART 9. INCOME RECEIVED BY MEMBERS OF IMMEDIATE FAMILY

List the type of economic activity representing each source of income of \$1,000 or more received by your spouse or domestic partner or dependent child(ren) during the reporting period and the kind of income represented. If your spouse or domestic partner received \$1,000 or more of income, list his or her name and job title. List only the job title of dependent children who received income of \$1,000 or more. Do not include gifts.

Name of Spouse or Domestic Partner and Job Title

Type of Economic Activity
Representing Source of Income
Received

Kind of Income

Name:

1.

1.

Job Title:

2.

2.

3.

3.

Dependent Child(ren) - Job Titles Only

Job Title:

Job Title:

Job Title:

PART 10. OFFICER OR DIRECTOR POSITIONS

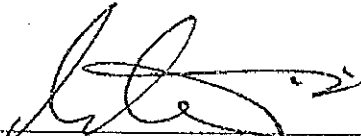
List any for-profit or nonprofit corporation, firm, association, partnership or business in which you or a member of your immediate family held any office, trusteeship, directorship, or position of any nature. Indicate whether you or a family held the position and whether the position was compensated. If a family member listed, indicate your relationship and the name of the family member.

☐ None

Organization/Business and Address	Title	Position Held By:	Family Member's Name	Compensated?
Alford Scholarship Foundation				

SIGNATURE

I affirm that the contents of this report are true, complete and accurate to the best of my knowledge.


Signature

2-16-11

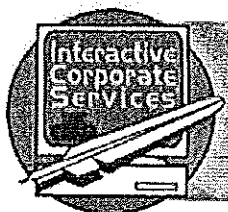
Date

Unsworn falsification is a Class D crime.

ADDITIONAL INFORMATION

Please provide any additional information below (and on additional sheets if needed). Indicate the part or section number for the information you are providing. Use additional pages, if necessary.

Part/Section Number

**MAINE**

Department of the Secretary of State

Bureau of Corporations, Elections and Commissions

Corporate Name Search

Information Summary

Subscriber activity report

This record contains information from the CEC database and is accurate as of: Wed Jan 18 2012 14:59:26. Please print or save for your records.

Legal Name	Charter Number	Filing Type	Status
DIRIGO HOLDINGS, LLC	20052990DC	LIMITED LIABILITY COMPANY (DOMESTIC)	GOOD STANDING

Filing Date	Expiration Date	Jurisdiction
04/06/2005	N/A	MAINE

Other Names (A=Assumed ; F=Former)

NONE

Clerk/Registered Agent

BRUCE L. POLIQUIN
P.O. BOX 1233
YARMOUTH, ME 04096

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Phippsburg
12:48 PM

Real Estate Tax Commitment Book - 7.600
2012 Fiscal Year Real Estate

10/24/2011
Page 79

Account Name & Address	Land	Building	Exemption	Assessment	Tax
448 DENNIS, TIMOTHY P (JT) DENNIS, JANE A (JT) 907 POPHAM RD PHIPPSBURG ME 04562 907 POPHAM ROAD 014-040 B1065P193 06/05/1991	402,800 Acres 10.25 Soft: 0.00 Mixed: 0.00 Hard: 0.00	677,900 0 0 0 0	03 Homestead Exemption	1,070,700	8,137.32 4,068.66 (1) 4,068.66 (2) A/K/A STONEHOUSE MANOR BED & BREAKFAST
877 DENTONE, PAUL B (JT) DENTONE, CAROL LYNNE 10 RIDINGS WAY CHADDS FORD PA 19317 PARKER HEAD ROAD 012-003 B2802P196 11/16/2006	129,700 Acres 5.01 Soft: 0.00 Mixed: 0.00 Hard: 0.00	0 0 0 0 0		129,700	985.72 492.86 (1) 492.86 (2) PB27 PG91 LOT 5 LEDGE MEADOW BAY 1988
449 DESMOND, CHRISTINE E (JT) DESMOND, ALBERT E (JT) 137 OAK ST BATH ME 04530 27 SEGUIN STREET 014-063 B2946P104 12/31/2007	259,700 Acres 0.44 Soft: 0.00 Mixed: 0.00 Hard: 0.00	208,800 0 0 0 0		468,500	3,560.60 1,780.30 (1) 1,780.30 (2) PB2 PG53 PBE LOT 446; 447; 448 PBE 1922 PB41 PG88 BOUNDARY DESMOND 2003
2680 DESMOND, DEBORAH (JT) DESMOND, EDWARD (JT) 18 SUKOKIS CIR TOWNSHAM ME 04006 OCEAN VIEW - SITE 11 014-042-OV-11	0 23' SUNLINE FORMER PP	4,300 0 0 0		4,300	32.68 16.34 (1) 16.34 (2)
1169 DETEL, JOAN L PO BOX 138 PHIPPSBURG ME 04562-0138 11 SPITE HOUSE LANE 008-009-01 B2362P195 02/26/2004 B1279P232	145,000 Acres 1.00 Soft: 0.00 Mixed: 0.00 Hard: 0.00	57,400 0 0 0 0	03 Homestead Exemption	192,400	1,462.24 731.12 (1) 731.12 (2)
2035 DION, ROGER E & STANLEY, GWENDOLYN W - JT (50% TC) HUTCHINS, ROGER S & CYNTHIA M - JT (50% TC) ATTN: ROGER DION PO BOX 857 BATH ME 04530-0857 84 CUTTING ROAD 037-030 B1326P217 11/04/1994 B1318P304 10/26/1994	299,000 Acres 0.56 Soft: 0.00 Mixed: 0.00 Hard: 0.00	32,900 0 0 0 0		331,900	2,522.44 1,261.22 (1) 1,261.22 (2) PB unk PG unk SURVEY PINKHAM TO CONVEY 1990 PARCEL I; II; III
2433 DIRIGO HOLDINGS, LLC ATTN: BRUCE L POLIQUIN 186 LEDGEMERE RD GEO TOWN ME 04548 106 SAGAMORE DRIVE 045-049-UNIT 11	75,000 Acres 0.56 Soft: 0.00 Mixed: 0.00 Hard: 0.00	47,400 0 0 0 0		122,400	930.24 465.12 (1) 465.12 (2) PB42 PG97 POPHAM WOODS CONDO 2006 PHASE I - SITE 11 PENOBSCOT (DUPLEX) MODEL
Page Totals:	1,311,200	1,028,700	20,000	2,319,900	17,631.24
Subtotals:	86,224,900	48,830,300	1,571,600	133,483,600	1,014,475.36

Phippsburg
12:48 PM

Real Estate Tax Commitment Book - 7.600
2012 Fiscal Year Real Estate

10/24/2011
Page 80

Account Name & Address	Land	Building	Exemption	Assessment	Tax
2724 DIRIGO HOLDINGS, LLC ATTN: BRUCE L POLIQUIN 186 LEDGEMERE RD GEORGETOWN ME 04548	75,000	68,300	0	143,300	1,089.08 544.54 (1) 544.54 (2)
119 SAGAMORE DRIVE 045-049-UNIT 6	PB42 PG97 POPHAM WOODS CONDO 2006 PHASE 1 - SITE 6 (ARROWSIC MODEL)				
2428 DIRIGO HOLDINGS, LLC ATTN: BRUCE L POLIQUIN 186 LEDGEMERE RD GEORGETOWN ME 04548	75,000	237,400	0	312,400	2,374.24 1,187.12 (1) 1,187.12 (2)
123 SAGAMORE DRIVE 045-049-UNIT 9	PB42 PG97 POPHAM WOODS CONDO 2006 PHASE 1 - SITE 9				
1490 DIRIGO HOLDINGS, LLC ATTN: BRUCE L POLIQUIN 186 LEDGEMERE RD GEORGETOWN ME 04548	707,100 Acres 183.60 Soft: 0.00 Mixed: 0.00 Hard: 0.00	106,500 0 0 0	0	813,600	6,183.36 3,091.68 (1) 3,091.68 (2)
SAGAMORE DRIVE 045-049 B2719P343 05/01/2006 EXEMPTION 03/29/2005	PB42 PG97 POPHAM WOODS CONDO 2006 (COMMON AREAS PLUS SITES NOT BUILT-OUT)				
2432 DIRIGO HOLDINGS, LLC ATTN: BRUCE L POLIQUIN 186 LEDGEMERE RD GEORGETOWN ME 04548	75,000	215,800	0	290,800	2,210.08 1,105.04 (1) 1,105.04 (2)
125 SAGAMORE DRIVE 045-049-UNIT 10	PB42 PG97 POPHAM WOODS CONDO 2006 PHASE 1 - SITE 10 ARROWSIC (DUPLX) MODEL				
457 DITULLIO, STEPHEN D (JT) DITULLIO, SUZANNE E (JT) 650 GREAT RD LITTLETON MA 01460	344,400 Acres 2.05 Soft: 0.00 Mixed: 0.00 Hard: 0.00	0 0 0 0	0	344,400	2,617.44 1,308.72 (1) 1,308.72 (2)
THISTLE POINT LANE 035-009 B2789P254 10/19/2006	PARCEL 5 WYNBURG EAST 1982				
1876 DOAK, SABRINA (TC) CHANTIGNY, LUCIA (TC) ATTN: LUCIA PELLEGRINI 190 QUAKER PT RD WEST BATH ME 04530 3 BRITTANY LANE 023-038-LL-02 B1500P34	0	56,900	0	56,900	432.44 216.22 (1) 216.22 (2)
1272 DOIRON, DENNIS G (JT) DOIRON, LAURYL A (JT) PO BOX 261 PHIPPSBURG ME 04562-0261	110,800 Acres 11.63 Soft: 0.00 Mixed: 0.00 Hard: 0.00	142,400 0 0 0	10,000 03 Homestead Exemption	243,200	1,848.32 924.16 (1) 924.16 (2)
41 HALF MOON HILL 045-002 B1259P75 12/21/1993	PARCEL I & II				
Page Totals:	1,397,300	827,300	10,000	2,204,600	16,754.96
Subtotals:	87,612,200	49,657,600	1,581,600	135,688,200	1,031,230.32



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

January 20, 2012

By Inter-Office Mail and by Hand

Bruce L. Poliquin, State Treasurer
Office of the State Treasurer
39 State House Station
Augusta, ME 04333-0039

Dear Treasurer Poliquin:

On January 18, 2012, the Maine Ethics Commission received the attached complaint requesting that the Commission investigate whether you fully disclosed the sources of your 2010 income in the 2010 Statement of Sources of Income received by the Commission in February 2011. The complaint refers to recent news reports mentioning your ownership of Dirigo Holdings, LLC, and the Popham Beach Club.

Commission's Consideration of the Complaint

After consulting with the Chair of the Commission, this matter is being scheduled for the February 29, 2012 meeting of the Commission. This schedule will provide adequate time for the Commissioners to receive full information from you and to apply the disclosure statute to the factual information.

The meeting will be held at 9:00 a.m. in the Commission's office at 45 Memorial Circle in Augusta. I usually suggest to persons responding to complaints that they appear in person at meetings to answer any questions of the Commissioners.

Reporting Requirements

The reporting requirements for constitutional officers and executive employees are set forth in 5 M.R.S.A. § 19, which I have attached. In that statute, the term "self-employed" is defined by reference to a provision in the Workers' Compensation Law (Title 39-A), which I have also attached.

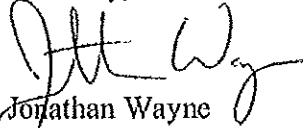
Responding to the Complaint

Please provide a written response to the complaint by February 10, 2012 with any information which you believe the Commissioners should consider. I believe it would be helpful if your response could address the following questions:

- Please explain whether Popham Beach Club is owned by you directly or by a separate entity. If it is owned by a separate entity, please identify the entity and your relationship or position with the entity. When the club receives revenue from membership dues or events, who receives that income?
- In 2010, did you receive income exceeding \$1,000 from the Popham Beach Club?
- Are you a member of Dirigo Holdings, LLC?
- In 2010, did you receive any distribution or income from Dirigo Holdings, LLC, which exceeded \$1,000?
- In 2010, did you receive any income through self-employment? For purposes of this disclosure requirement (5 M.R.S.A. § 19(1)(J)), the Maine Legislature has defined "self-employed" to mean "that the person qualifies as an independent contractor under [the Workers Compensation Law] Title 39-A, section 102, subsection 13." In that provision, "independent contractor" is defined to mean "a person who performs services for another under contract, but who is not under the essential control or superintendence of the other person while performing those services."
- In 2010, did you hold "[a]ny offices, trusteeships, directorships or positions of any nature, with Dirigo Holdings, LLC, or the Popham Beach Club or "with any [other] for-profit or non-profit firm, corporation, association, partnership or business"?

If you have any questions concerning this request, please call me at 287-4179. Thank you for your cooperation.

Sincerely,


Jonathan Wayne
Executive Director

5 MRSA § 19. FINANCIAL DISCLOSURE BY EXECUTIVE EMPLOYEES

1. Definitions. As used in this section, unless the context indicates otherwise, the following terms have the following meanings.

A. "Appointed executive employee" means a compensated member of the classified or unclassified service employed by the Executive Branch, who is appointed by the Governor and confirmed by the Legislature, or who serves in a major policy-influencing position, except assistant attorneys general, as set forth in chapter 71. [1987, c. 784, §4 (AMD).]

B. "Constitutional officers" means the Governor, Attorney General, Secretary of State and Treasurer of State. [1979, c. 734, §2 (NEW).]

C. "Elected executive employee" means the constitutional officers and the State Auditor. [1979, c. 734, §2 (NEW).]

D. "Executive employee" means an appointed executive employee or an elected executive employee. [1979, c. 734, §2 (NEW).]

E. "Gift" means anything of value, including forgiveness of an obligation or debt, given to a person without that person providing equal or greater consideration to the giver. "Gift" does not include:

(1) Gifts received from a single source during the reporting period with an aggregate value of \$300 or less;

(2) A bequest or other form of inheritance; and

(3) A gift received from a relative or from an individual on the basis of a personal friendship as long as that individual is not a registered lobbyist or lobbyist associate under Title 3, section 313, unless the employee has reason to believe that the gift was provided because of the employee's official position and not because of a personal friendship. [2009, c. 524, §1 (AMD).]

F. "Honorarium" means a payment of money or anything with a monetary resale value to a person for an appearance or a speech by the person. "Honorarium" does not include reimbursement for actual and necessary travel expenses for an appearance or speech. "Honorarium" does not include a payment for an appearance or a speech that is unrelated to the person's official capacity or duties. [1989, c. 561, §14 (NEW).]

G. "Immediate family" means a person's spouse or dependent children. [1989, c. 561, §14 (NEW).]

H. "Income" means economic gain to a person from any source, including, but not limited to, compensation for services, including fees, commissions and payments in-kind; income derived from business; gains derived from dealings in property, rents and royalties; income from investments including interest, capital gains and dividends; annuities; income from life insurance and endowment contracts; pensions; income from discharge of indebtedness; distributive share of partnership income; income from an interest in an estate or trust; prizes; and grants, but does not include gifts. Income received in-kind includes, but is not limited to, the transfer of property and options to buy or lease and stock certificates. Income does not include alimony and separate maintenance payments. [1989, c. 561, §14 (NEW).]

I. "Relative" means an individual who is related to the executive employee or the executive employee's spouse as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson,

granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister, and shall be deemed to include the fiancé or fiancée of the executive employee. [1989, c. 561, §14 (NEW).]

I-1. "Reportable liabilities" means any unsecured loan, except a loan made as a campaign contribution recorded as required by law, of \$3,000 or more received from a person not a relative. Reportable liabilities do not include:

- (1) A credit card liability;
- (2) An educational loan made or guaranteed by a governmental entity, educational institution or nonprofit organization; or
- (3) A loan made from a state or federally regulated financial institution for business purposes. [1991, c. 331, §2 (NEW).]

J. "Self-employed" means that the person qualifies as an independent contractor under Title 39-A, section 102, subsection 13. [1991, c. 885, Pt. E, §47 (AFF); 1991, c. 885, Pt. E, §6 (AMD).]

[2009, c. 524, §1 (AMD) .]

2. Statement of sources of income. Each executive employee shall annually file with the Commission on Governmental Ethics and Election Practices a statement of finances for the preceding calendar year. The statement must indicate:

A. If the executive employee is an employee of another person, firm, corporation, association or organization, the name and address of the employer and each other source of income of \$1,000 or more; [1989, c. 608, §3 (AMD) .]

B. If the executive employee is self-employed, the name and address of the executive employee's business and the name of each source of income derived from self-employment that represents more than 10% of the employee's gross income or \$1,000, whichever is greater, except that, if this form of disclosure is prohibited by statute, rule or an established code of professional ethics, the employee shall specify the principal type of economic activity from which the income is derived. With respect to all other sources of income, a self-employed executive employee shall name each source of income of \$1,000 or more. The employee shall also indicate major areas of economic activity and, if associated with a partnership, firm, professional association or similar business entity, the major areas of economic activity of that entity; [2007, c. 704, §5 (AMD) .]

C. The specific source of each gift received; [1989, c. 561, §15 (NEW) .]

D. The type of economic activity representing each source of income of \$1,000 or more that any member of the immediate family of the executive employee received and the name of the spouse or domestic partner of the executive employee. The disclosure must include the job title of the executive employee and immediate family members if the source of income is derived from employment or compensation; [2007, c. 704, §5 (AMD) .]

E. The name of each source of honoraria that the executive employee accepted; [1989, c. 561, §15 (NEW) .]

F. Each executive branch agency before which the executive employee or any immediate family member has represented or assisted others for compensation; and [1989, c. 561, §15 (NEW) .]

G. Each executive branch agency to which the executive employee or the employee's

immediate family has sold goods or services with a value in excess of \$1,000. [1989, c. 608, §3 (AMD) .]

In identifying the source of income, it is sufficient to identify the name and address and principal type of economic activity of the corporation, professional association, partnership, financial institution, nonprofit organization or other entity or person directly providing the income to the individual.

With respect to income from a law practice, it is sufficient for attorneys-at-law to indicate their major areas of practice and, if associated with a law firm, the major areas of practice of the firm.

[2009, c. 524, §2 (AMD) .]

2-A. Statement of interests. Beginning in 2010, each executive employee shall annually file with the Commission on Governmental Ethics and Election Practices a statement of those positions set forth in this subsection for the preceding calendar year. The statement must include:

A. Any offices, trusteeships, directorships or positions of any nature, whether compensated or uncompensated, held by the executive employee with any for-profit or nonprofit firm, corporation, association, partnership or business; and [2007, c. 704, §6 (NEW) .]

B. Any offices, trusteeships, directorships or positions of any nature, whether compensated or uncompensated, held by a member of the immediate family of the executive employee with any for-profit or nonprofit firm, corporation, association, partnership or business and the name of that member of the executive employee's immediate family. [2007, c. 704, §6 (NEW) .]

[2009, c. 524, §3 (AMD) .]

3. Time for filing.

A. An elected executive employee shall file an initial report within 30 days of his election. An appointed executive employee shall file an initial report prior to confirmation by the Legislature. [1979, c. 734, §2 (NEW) .]

B. Each executive employee shall file the annual report prior to the close of the 2nd week in April, unless that employee has filed an initial or updating report during the preceding 30 days; except that, if an elected or appointed executive employee has already filed a report for the preceding calendar year pursuant to paragraph A, a report does not need to be filed. [2001, c. 75, §3 (AMD) .]

C. Each executive employee whose income substantially changes shall file a report of that change within 30 days of it. [1979, c. 734, §2 (NEW) .]

[2001, c. 75, §3 (AMD) .]

4. Penalties. Failing to file the statement within 15 days of having been notified by the Commission on Governmental Ethics and Election Practices of failing to meet the requirements of subsection 2 is a civil violation for which a fine of not more than \$100 may be adjudged.

[2007, c. 704, §7 (AMD) .]

5. Rules. The Commission on Governmental Ethics and Election Practices may adopt or amend rules to specify the reportable categories or types and the procedures and forms for reporting and to administer this section.

[2007, c. 704, §8 (AMD) .]

6. Public record. Statements filed under this section are public records. The Commission on Governmental Ethics and Election Practices shall publish on a publicly accessible website the completed forms of executive employees filed under this section.

[2007, c. 704, §9 (AMD) .]

7. Disclosure of reportable liabilities. Each executive employee shall include on the statement of income under subsection 2 all reportable liabilities incurred while employed as an executive employee. The executive employee shall file a supplementary statement with the Commission on Governmental Ethics and Election Practices of any reportable liability within 30 days after it is incurred. The report must identify the creditor in the manner of subsection 2.

[2011, c. 389, §1 (AMD) .]

SECTION HISTORY

1979, c. 734, §2 (NEW). 1987, c. 784, §4 (AMD). 1989, c. 561, §§13-16 (AMD). 1989, c. 608, §3 (AMD). 1991, c. 331, §§2,3 (AMD). 1991, c. 885, §E47 (AFF). 1991, c. 885, §E6 (AMD). 2001, c. 75, §3 (AMD). 2007, c. 704, §§5-9 (AMD). 2009, c. 524, §§1-3 (AMD). 2011, c. 389, §1 (AMD).

The State of Maine claims a copyright in its codified statutes. If you intend to republish this material, we require that you include the following disclaimer in your publication:

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39-A MRSA §102(13) . DEFINITIONS

As used in this Part, unless the context otherwise indicates, the following terms have the following meanings. [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

13. Independent contractor. Except as otherwise provided by section 105-A, "independent contractor" means a person who performs services for another under contract, but who is not under the essential control or superintendence of the other person while performing those services. In determining whether such a relationship exists, the board shall consider the following factors:

A. Whether or not a contract exists for the person to perform a certain piece or kind of work at a fixed price; [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

B. Whether or not the person employs assistants with the right to supervise their activities; [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

C. Whether or not the person has an obligation to furnish any necessary tools, supplies and materials; [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

D. Whether or not the person has the right to control the progress of the work, except as to final results; [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

E. Whether or not the work is part of the regular business of the employer; [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

F. Whether or not the person's business or occupation is typically of an independent nature; [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

G. The amount of time for which the person is employed; and [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

H. The method of payment, whether by time or by job. [1991, c. 885, Pt. A, §§9-11 (AFF); 1991, c. 885, Pt. A, §8 (NEW).]

In applying these factors, the board may not give any particular factor a greater weight than any other factor, nor may the existence or absence of any one factor be decisive. The board shall consider the totality of the relationship in determining whether an employer exercises essential control or superintendence of the person.

[2009, c. 452, §4 (AMD) .]



COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES

INSTRUCTIONS: STATEMENT OF SOURCES OF INCOME
FOR CONSTITUTIONAL AND STATUTORY OFFICERS

2010 Calendar Year: January 1, 2010 - December 31, 2010

1. Please file this statement with the Maine Ethics Commission no later than December 31, 2010.
2. Report the sources of income for you, your spouse or domestic partner, and your dependent children.
3. Report only specific sources of income. Dollar amounts need not be listed.
4. State law (5 M.R.S.A. § 19) requires executive employees to file an updated statement with the Commission within 30 days of any change to the information in this report. Additionally, the law also requires executive employees to make a supplementary statement to the Commission of any reportable liability within 30 days after it is incurred.
5. The completed statements are posted on the Commission's website and copies are made available to the public upon request.
6. Please **keep a copy** of this statement for your records.

Thank you for your cooperation.

PART 1. INCOME DERIVED FROM EMPLOYMENT BY ANOTHER

"Employee" means a person in any employment position, including public or private employment, employment with a nonprofit, religious, charitable or educational organization, or any other compensated service under an expressed, implied, oral or written contract for hire, but does not include a self-employed person. Do not include sources of income received by your spouse or domestic partner or dependent child(ren) in this section. Include sources of income from both full and part-time employment, if applicable. Name each employer from whom you received compensation for services, including fees, commissions and payments in-kind. See example below.

Name of Employer	Address	Principal Type of Activity of Employer
Pinetree Counseling Associates	201 Main Street, Pinetree City, Augusta, Maine	Counseling services

PART 2. INCOME DERIVED FROM SELF-EMPLOYMENT OR LAW PRACTICE (Sections A and B)

If you derive any income from self-employment or a law practice, complete both Parts 1 and 2 of this form. You are considered self-employed if you perform services for another under contract, but are not under the essential control or supervision of the other person while performing those services.

Section A. Enter the name and address of your business or law firm and list the major areas of economic activity or practice from which you derived income. If associated with a partnership, firm, professional association, or similar business entity, list the entity's major areas of economic activity or practice. See example below.

Name and Address of Business Entity/Law Firm	Major Areas of Economic Activity/Practice	Major Areas of Economic Activity/Practice
CST, Inc., 65 Lincoln Street, Canton, Maine	Substance abuse counseling training	Therapeutic counseling training
Smith & Jones, 28 Hollywood Drive, Raymond, Maine	Probate Wills	Workers' Comp, Personal Injury and Probate/Wills

Section B. List each source of income derived from self-employment that represents more than 10% of your gross income or \$1,000, whichever is greater. Specify the principal type of economic activity of the entity/person from whom you derived such income. If this form of disclosure is prohibited by law, rule, or an established code of professional ethics, specify only the principal type of economic activity of the entity/person from whom the income was derived. If the amount received is under \$1,000, you need not report the source. See example below.

Name of Source	Address	Principal Type of Economic Activity of Entity
Maine Healthcare, Inc	12 Main Street, Ellsworth, Maine	Healthcare and counseling services
Patients		Counseling services

PART 3. OTHER SOURCES OF INCOME

Do not list sources of income in this part that were listed in Parts 1 and 2 of this form. See example below. "Income" means economic gain to a person from any source, including, but not limited to:

- rents and royalties
- gains derived from property transactions
- income from discharge of indebtedness
- income from life insurance and endowment contracts
- income from an interest in an estate or trust
- pensions
- income from investments including interest, capital gains, and dividends
- annuities
- distributive share of partnership income
- prizes and grants.

In-kind income includes, but is not limited to, the transfer of property and options to buy or lease, and stock certificates. Income does not include gifts or alimony and separate maintenance payments.

Name of Source	Address	Kind of Income
Union Life Insurance Co.	One Copley Plaza, Boston, MA	Annuity
Peoples Mutual Funds	Global Investment LLC, 40 Main Street, Bangor, ME	Investment

Continued on back

Instructions (continued)

PART 4. REPORTABLE LIABILITIES

This section is used to report and update any reportable liability. Please remember that the law requires that these liabilities be reported to the Commission within 30 days of their occurrence. Do not list amounts owed. Do not list loans from a relative. "Relative" means an individual who is related to the employee or the employee's spouse as father, mother, son, daughter, brother, sister, uncle, aunt, great aunt, great uncle, first cousin, nephew, niece, husband, wife, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother or half sister, and includes the fiancé or fiancée of the employee.

"Reportable liability" does not include a credit card liability; an educational loan made or guaranteed by a governmental entity, educational institution, or nonprofit organization; a loan made from a state or federally regulated financial institution for business purposes; or a loan made as a campaign contribution recorded as required by law.

PART 5. REPORTABLE GIFTS

A gift is defined as anything of value, including forgiveness of an obligation or debt, given to a person without that person providing equal or greater consideration to the giver. "Gift" does not include

- gifts received from a single source during the reporting period with an aggregate value of \$300 or less;
- bequests or other form of inheritance; and
- gifts received from a relative or from an individual on the basis of a personal friendship as long as that individual is not a registered lobbyist or lobbyist associate, unless the employee has reason to believe that the gift was provided because of the employee's official position and not because of a personal friendship.

PART 6. REPORTABLE HONORARIA

"Honorarium" means a payment of money or anything with a monetary resale value to you for an appearance or a speech by you in your official capacity. Honorarium does not include reimbursement for actual and necessary travel expenses for an appearance or speech, or payment for an appearance or a speech that is unrelated to your capacity or responsibilities as an executive employee.

PART 7. REPRESENTATION BEFORE STATE AGENCIES

Identify each state agency before which you or a member of your immediate family appeared for, represented, or assisted another for compensation in a matter before that state agency or authority. "Immediate family" means an employee's spouse or domestic partner or dependent child(ren).

PART 8. BUSINESS WITH STATE AGENCIES

Identify each executive branch agency to which you or a member of your immediate family sold goods or services with a value in excess of \$1,000 during the reporting period.

PART 9. INCOME RECEIVED BY MEMBERS OF IMMEDIATE FAMILY

List only the type of economic activity representing each source of income of \$1,000 or more received by your spouse or domestic partner or dependent child(ren) and the kind of income received. If your spouse or domestic partner received \$1,000 or more of income, include their name and job title. For the purposes of this statement, a dependent child is one for whom an exemption is claimed when filing a Federal income tax return. Refer to Part 4 of instructions for a partial listing of sources of income. See example below.

Name of Spouse or Domestic Partner, Job Title	Type of Economic Activity	Relationship	Kind of Income
Name: <i>Jane Smith</i> Job Title: <i>Assistant Principal</i>	1. <i>Education</i> 2. <i>Insurance</i> 3.	Spouse or Domestic Partner	1. <i>Employment</i> 2. <i>Dividend</i> 3.
If dependent child(ren) receive more than \$1,000 of income for the reporting period, list only the type of economic activity and the kind of income.	<i>Hotel and Restaurant</i> <i>Camp counselor</i>	Dependent Child Dependent Child	<i>Employment</i> <i>Summer employment</i>

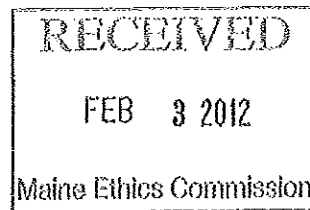
PART 10. OFFICER OR DIRECTOR POSITIONS

Identify any for-profit or nonprofit corporation, firm, association, partnership or business in which you or a member of your immediate family held any office, trusteeship, directorship, or position of any nature in the preceding calendar year and indicate whether the position was compensated or uncompensated. Indicate whether you or a family member held the position. If the position was held by a family member, please indicate your relationship and the name of the family member.

Organization/Business and Address	Title	Position Held By:	Family Member's Name	Compensated?
<i>Kennebec Historical Society</i> <i>107 Winthrop Street</i> <i>Augusta, Maine 04330</i>	<i>Director</i>	<i>Self</i>		<i>No</i>
<i>General Dynamics</i> <i>2941 Fairview Park Drive</i> <i>Falls Church, Virginia 22042</i>	<i>Director</i>	<i>Spouse</i>	<i>Leslie</i>	<i>Yes</i>

Please tear off these instructions before returning the completed form to the Commission. Thank you.

February 3, 2012



Mr. Jonathan Wayne, Executive Director
State of Maine, Commission on Governmental Ethics and Election Practices
135 State House Station
Augusta, ME 04333-0135

Dear Mr. Wayne:

Please accept this letter as my response to the complaint filed with the Commission by the Maine Democratic Party, dated January 18, 2012 (the "Complaint"). As noted in your letter to me dated January 20, 2012, the Maine Democratic Party has requested that the Commission look into whether I disclosed the sources of my income on the 2010 Statement of Sources of Income (the "Statement") filed with the Commission in February 2011.

It is my understanding that a primary purpose of the Statement is to ensure that any source of income for an executive employee of Maine state government does not create a conflict of interest for the employee in his/her position as an executive employee of the State of Maine. It is also my understanding that the Statement is intended to further ensure that an executive employee is not engaged in any regular business, profession, or other activity that compromises the employee's ability to give full attention and fidelity to his/her position and responsibilities as an executive employee of the State of Maine.

I am confident that, based on the information provided herewith, the Commission will recognize that it was my intent to comply fully with both the letter and spirit of the income disclosure requirements, and that my sources of income in 2010 created no conflict of interest and did not in any way compromise my ability to give my full attention and fidelity to my duties as Maine State Treasurer.

In your letter to me dated January 20, transmitting the Complaint by the Maine Democratic Party, you ask that I answer a number of specific questions. I respond below, first, to those questions. Then, I address the additional issues pertaining to my Statement.

Questions Posed by Your Letter, and My Answers:

Question 1: Please explain whether Popham Beach Club is owned by you directly or by a separate entity. If it is owned by a separate entity, please identify the entity and your relationship or position with the entity. When the club receives revenue from membership dues or events, who receives that income?

Answer 1: I own the Popham Beach Club. It is not owned by a separate entity. The real estate on which the club is located in Phippsburg has been owned by my family for 45 years. I

Mr. Jonathan Wayne, Executive Director
February 3, 2012
Page 2

acquired the property from my parents a number of years ago. Any revenues, expenses and income, if any, of the Popham Beach Club are attributed to me personally.

Question 2: In 2010, did you receive income exceeding \$1,000 from the Popham Beach Club?

In 2010, the Popham Beach Club had gross receipts of \$9,750 from membership dues, which were more than offset by expenses incurred by that real estate investment, resulting in a net loss for the year. Because of this net loss in 2010, I did not believe that the Popham Beach Club should be listed as a source of income to me.

Question 3: Are you a member of Dirigo Holdings, LLC?

Answer 3: Yes. I am the sole member of Dirigo Holdings, LLC.

Question 4: In 2010, did you receive any distribution or income from Dirigo Holdings, LLC, which exceeded \$1,000?

Answer 4: No. In 2010, I did not receive any distribution or income from Dirigo Holdings, LLC.

Question 5: In 2010, did you receive any income through self-employment? For purposes of this disclosure requirement (5 M.R.S.A. § 19(1)(J)), the Maine Legislature has defined "self-employed" to mean "that the person qualifies as an independent contractor under [the Workers Compensation Law] Title 39-A, section 102, subsection 13." In that provision, "independent contractor" is defined to mean "a person who performs services for another under contract, but who is not under the essential control or superintendence of the other person while performing those services."

Answer 5: No.

Question 6: In 2010, did you hold "[a]ny offices, trusteeships, directorships or positions of any nature," with Dirigo Holdings, LLC, or the Popham Beach Club, or "with any [other] for-profit or non-profit firm, corporation, association, partnership or business"?

Answer 6: As stated above, I am the sole member and the registered agent of Dirigo Holdings, LLC, which holds my real estate investment in the Popham Woods Condominium. I am the president of the non-profit Popham Woods Condominium Unit Owners' Association. I am the owner of the Popham Beach Club, but do not hold any such offices in connection with the Popham Beach Club.

I am a limited partner in Zweig-DiMenna Partners, LP, a New York investment management limited partnership; C.K. Capital, LP, a Delaware investment management limited partnership; and Marshall Mall Associates, a Pennsylvania real estate limited partnership. I hold no officer or director position in these partnership investments. I am not engaged in any way in the operation or management of these entities.

Mr. Jonathan Wayne, Executive Director
February 3, 2012
Page 3

Complaint by Maine Democratic Party re My 2010 Income Disclosure Statement:

With the information and context provided by my answers to your specific questions above, perhaps the most effective way to address the Maine Democratic Party's Complaint is to review the pertinent sections of my Income Disclosure Statement.

PART 1: INCOME DERIVED FROM EMPLOYMENT BY ANOTHER. List the name and address of each employer from whom you received compensation of \$1,000 or more. Specify the principal type of economic activity of each employer.

This section of my Statement was left blank because I did not have any such income.

PART 2: INCOME DERIVED FROM SELF-EMPLOYMENT OR LAW PRACTICE.

A. List the name and address of your business or law firm, if any, and list the major areas of economic activity or practice from which you derived income. If associated with a partnership, firm, professional association, or similar business entity, list the major areas of economic activity or practice of that entity.

I am not engaged in the practice of law or associated with any law firm. I am not self-employed in any capacity. I am not an "Independent contractor" as that term is defined by 39-A M.R.S.A. § 102(13), and I had no income from any such activity. Accordingly, I left blank this section of my Statement.

When completing the Statement, I did not interpret the second sentence of Part 2 (A) to also request the identification of any entity with which I am associated in connection with my investments, wholly apart from any self-employment or law practice involvement of which there is none. Accordingly, I left blank this section of my Statement. I respectfully suggest that this section of the disclosure form is, at best, unclear.

As stated earlier, I am the sole member and the registered agent of Dirigo Holdings, LLC, the entity which holds my real estate investment in Popham Woods Condominium located in Philpsburg. Other than periodically providing funds for payment of expenses and periodically consulting with the manager/bookkeeper, who oversees the operation and management of Dirigo Holdings, LLC and Popham Woods Condominium, I am not engaged in the operations or management of these real estate investments. In 2010, I did not receive any income from these real estate investments.

As stated above, I am a limited partner in Zweig-DiMenna Partners, LP and C.K. Capital, LP, both of which were listed as sources of my income in Part 3, OTHER SOURCES OF INCOME, on my Statement. I am not engaged in any way in the operation or management of these limited partnership investments. I have a small limited partnership interest in Marshall Mall Associates, a real estate investment dating back some 25 years. I am not involved in any way in the management or operation of this partnership. I had approximately \$13,000 in passive, non-cash income from this investment in 2010. I did not recall this non-cash income at the time I

Mr. Jonathan Wayne, Executive Director
February 3, 2012
Page 4

completed my Statement, and so I mistakenly did not list this partnership investment as a source of income in my disclosure form, unlike listing my other sources of income in Part 3 of the Statement.

B. List each source of income derived from self-employment or practice that represents more than 10% of your gross income or \$1,000, whichever is greater, and specify the principal type of economic activity of the entity or person from who you derived such income. If this form of disclosure is prohibited by law, rule, or an established code of professional ethics, specify only the principal type of economic activity of the entity or person from whom the income was derived.

None. See my response to Part 2 (A) above.

PART 3: OTHER SOURCES OF INCOME.

List each source of income of \$1,000 or more not listed in Parts 1 or 2 of this form. Do not include gifts or honoraria. If none, check the box.

As stated above, in 2010, the Popham Beach Club had gross receipts of \$9,750 from membership dues. Because this revenue was more than offset by expenses, thus resulting in a net loss to me, I did not believe that the Popham Beach Club needed to be listed on my Statement as a source of income. With the exception of this misunderstanding and my mistaken omission of the Marshall Mall Associates investment, which is addressed above in Part 2 (A), I fully disclosed my sources of income in Part 3 of my Statement.

PART 9: INCOME RECEIVED BY MEMBERS OF IMMEDIATE FAMILY.

List the type of economic activity representing each source of income of \$1,000 or more received by your spouse or domestic partner or dependent child(ren) during the reporting period and the kind of income represented. If your spouse or domestic partner received \$1,000 or more of income, list his or her name and job title. List only the job title of dependent children who received income of \$1,000 or more. Do not include gifts.

When completing the 2010 Income Disclosure Statement, I overlooked, and did not list on my Statement, the summer income earned by my son during a 10-week internship before his freshman year in college.

PART 10: OFFICER OR DIRECTOR POSITIONS.

List any for-profit or nonprofit corporation, firm, association, partnership or business in which you or a member of your immediate family held any office, trusteeship, directorship or position of any nature. Include whether you or a family member held the position and whether the position was compensated. If a family member listed, indicate your relationship and the name of the family member.

Mr. Jonathan Wayne, Executive Director
February 3, 2012
Page 5

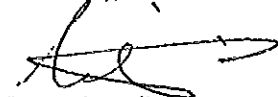
As described above, during 2010, I was the sole member and the registered agent of Dirigo Holdings, LLC, the entity which holds my real estate investment in Popham Woods Condominium, and was the president of the non-profit Popham Woods Condominium Unit Owners' Association.

I was a limited partner in the investment management and real estate limited partnerships discussed above: Zweig-DiMenna Partners, LP; C.K. Capital, LP; and Marshall Mall Associates. To my understanding, owning investments in these entities does not constitute holding an "office, trusteeship, directorship or position of any nature" in these entities, and so I did not list them in this section of my Statement. As stated above, I am not engaged in the operation or management of these financial and real estate investments.

By my submission of the 2010 Income Disclosure Statement in February, 2011, I fully intended to comply with both the letter and spirit of the requirements concerning disclosure of my sources of income. With a better understanding of some of the technical requirements pertaining to this disclosure process and, quite frankly, of the meaning of some parts of the disclosure form itself which I believe to be unclear and confusing, I recognize that it is appropriate to amend my 2010 Income Disclosure Statement. Accordingly, I enclose an amended form herewith for filing with the Commission. With this filing, I respectfully ask for dismissal by the Commission of the Complaint by the Maine Democratic Party, and for rejection of the Maine Democratic Party's request that the Commission impose the \$100 maximum penalty. This request is unwarranted and, quite clearly, politically motivated.

While requesting to have this matter resolved at the earliest possible date, I understand that the Commission has scheduled this matter to be addressed at the February 29 meeting. I look forward to the opportunity to discuss any issues and to answer any questions in person with the members of the Commission regarding my Income Disclosure Statement and the Complaint filed by the Maine Democratic Party.

Sincerely,



Bruce L. Pollquin

Maine State Treasurer

2010 Calendar Year



COMMISSION ON GOVERNMENTAL ETHICS AND ELECTION PRACTICES
 Mail: 135 State House Station, Augusta, Maine 04333
 Office: 45 Memorial Circle, Augusta, Maine
 Website: www.maine.gov/elhics
 Phone: 207-287-4179 Fax: 207-287-6775

AMENDED

EXECUTIVE EMPLOYEES

2010 STATEMENT OF SOURCES OF INCOME (5 M.R.S.A. § 19)

Covering the calendar year January 1, 2010 through December 31, 2010.

Please file this statement with the Maine Ethics Commission no later than **5:00 p.m. on April 15, 2011**. Please contact Commission staff at 287-4179 or come to the Commission office at 45 Memorial Circle, Augusta, If you have any questions about this form, your reporting requirements, or how to report specific situations. *Please keep a copy of this form for your records.*

NAME AND CONTACT INFORMATION	
Name Bruce L. Poliquin	Title State Treasurer
Department/Agency/Bureau/Division Office of the State Treasurer	Work Phone (207) 624-7477
Mailing Address, City, ZIP Cross Building, 111 Sewall Street, 3rd Floor, 39 State House Station, Augusta, ME 04333-0039	

PART 1. INCOME DERIVED FROM EMPLOYMENT BY ANOTHER		
List the name and address of each employer from whom you received compensation of \$1,000 or more. Specify the principal type of economic activity of each employer.		
<input checked="" type="checkbox"/> None		
Name of Employer	Address	Principal Type of Economic Activity of Employer

PART 2. INCOME DERIVED FROM SELF-EMPLOYMENT OR LAW PRACTICE		
A. List the name and address of your business or law firm, if any, and list the major areas of economic activity or practice from which you derived income. If associated with a partnership, firm, professional association, or similar business entity, list the major areas of economic activity or practice of that entity.		
<input type="checkbox"/> None		
Name and Address of Business Entity or Law Firm	Major Areas of Economic Activity/ Practice (self)	Major Areas of Economic Activity/ Practice (partnership, association, firm or similar business entity)
Name: Zweig-Dimenna Partners, L.P. Address: 900 Third Avenue, New York, NY 10022		Investment Management
Name: C.K. Capital, L.P. Address: 13899 Biscayne Blvd., Suite PH-12, North Miami Beach, FL 33181		Investment Management

PART 2 (continued). INCOME DERIVED FROM SELF-EMPLOYMENT

B. List each source of income derived from self-employment or practice that represents more than 10% of your gross income or \$1,000, whichever is greater, and specify the principal type of economic activity of the entity or person from whom you derived such income. If this form of disclosure is prohibited by law, rule, or an established code of professional ethics, specify only the principal type of economic activity of the entity or person from whom the income was derived.

Name and Address of Source	Principal Type of Economic Activity of Entity or Person Who Is the Source of the Income
Name:	
Address:	
Name:	
Address:	

PART 3. OTHER SOURCES OF INCOME

List each source of income of \$1,000 or more not listed in Parts 1 or 2 of this form. Do not include gifts or honoraria. If none, check the box.

☐ None

Name and Address of Source	Kind of Income (Investments, leases, etc.)
Name: Vanguard Funds Address: Malvern, PA	Investments
Name: Popham Beach Club Address: 823 Popham Road, Phippsburg, ME 04562	Membership dues
Name:	
Address:	

PART 4. REPORTABLE LIABILITIES

List the names of creditors for any unsecured loans of \$3,000 or more that you received during the reporting period, and list the major areas of economic activity of each creditor. Do not list credit card liabilities, or educational loans, loans from a relative, loans that were made as campaign contributions, or business loans from regulated financial institutions. If none, check the box.

☒ None

Name and Address of Creditor	Principal Type of Economic Activity of Creditor
Name:	
Address:	
Name:	
Address:	

PART 5. REPORTABLE GIFTS

List the specific source of gifts received during the reporting period with an aggregate value of more than \$300. If none, check the box.

☒ None

Name of Source of Gift	Name of Source of Gift
1.	3.
2.	4.

PART 6. REPORTABLE HONORARIA

List the source of any honoraria accepted for appearances or speeches related to your official capacity or duties. If none, check the box.

☒ None

Name of Source of Honoraria

Name of Source of Honoraria

1.

3.

2.

4.

PART 7. REPRESENTATION BEFORE STATE AGENCIES

List each executive branch agency before which you or a member of your immediate family represented or assisted others for compensation of any amount other than your official salary. Indicate whether you or a family member appeared before the agency. If none, check the box.

☒ None

Name of Agency

Name of Agency

1.

3.

2.

4.

PART 8. BUSINESS WITH STATE AGENCIES

List each executive branch agency to which you or a member of your immediate family sold goods or services with a value in excess of \$1,000 during the reporting period. Indicate whether you or a family member sold the goods or services. If none, check the box.

☒ None

Name of Agency

Name of Agency

1.

3.

2.

4.

PART 9. INCOME RECEIVED BY MEMBERS OF IMMEDIATE FAMILY

List the type of economic activity representing each source of income of \$1,000 or more received by your spouse or domestic partner or dependent child(ren) during the reporting period and the kind of income represented. If your spouse or domestic partner received \$1,000 or more of income, list his or her name and job title. List only the job title of dependent children who received income of \$1,000 or more. Do not include gifts.

Name of Spouse or Domestic Partner and Job Title

Type of Economic Activity
Representing Source of Income
Received

Kind of Income

Name:

1.

1.

Job Title:

2.

2.

3.

3.

Dependent Child(ren) - Job Titles Only

Job Title: Summer internship

Job Title:

Job Title:

PART 10. OFFICER OR DIRECTOR POSITIONS


List any for-profit or nonprofit corporation, firm, association, partnership or business in which you or a member of your immediate family held any office, trusteeship, directorship, or position of any nature. Indicate whether you or a family held the position and whether the position was compensated. If a family member listed, indicate your relationship and the name of the family member.

☐ None

Organization/Business and Address	Title	Position Held By:	Family Member's Name	Compensated?
1. Dirigo Holdings, LLC P.O. Box 1233 Yarmouth, ME 04096	Member and Registered Agent	Self		No; real estate investment
2. Popham Woods Condominium Unit Owners' Association 511 Congress Street, Suite 801 Portland, ME 04101	President	Self		No
3. Zweig-Dimenna Partners, L.P. 900 Third Avenue New York, NY 10022	Limited Partner	Self		No; investment

SIGNATURE

I affirm that the contents of this report are true, complete and accurate to the best of my knowledge.



Signature

2-3-12

Date

Unsworn falsification is a Class D crime.

ADDITIONAL INFORMATION

Please provide any additional information below (and on additional sheets if needed). Indicate the part or section number for the information you are providing. Use additional pages, if necessary.

Part/Section Number	
Part 2.A.	Marshall Mall Associates 230 South Broad Street Mezzanine Philadelphia, PA 19102 Real Estate Investment
Part 10	4. C.K. Capital, L.P. 13899 Biscayne Blvd., Suite PH-12 North Miami Beach, FL 33181 Limited partner Self No; investment
	5. Marshall Mall Associates 230 South Broad Street Mezzanine Philadelphia, PA 19102 Limited partner Self No; investment

William J. Schneider
ATTORNEY GENERAL



TEL: (207) 626-8800
TTY: 1-800-577-6690

STATE OF MAINE
OFFICE OF THE ATTORNEY GENERAL
6 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0006

REGIONAL OFFICES:
84 HARLOW ST., 2ND FLOOR
BANGOR, MAINE 04401
TEL: (207) 941-3070
FAX: (207) 941-3075

415 CONGRESS ST., STE. 301
PORTLAND, MAINE 04101
TEL: (207) 822-0260
FAX: (207) 822-0259

14 ACCESS HIGHWAY, STE. 1
CARIBOU, MAINE 04736
TEL: (207) 496-3792
FAX: (207) 496-3291

February 10, 2012

Representative Mark Dion
2 State House Station
Augusta, Maine 04333-0002

Dear Representative Dion:

I am writing in response to your letters of January 17, 2012 and January 30, 2012, in which you inquired whether the State Treasurer has engaged in "any business of trade or commerce" within the meaning of the Maine Constitution, art. V, pt. 3, § 3 ("Section 3"). Your question focuses on the Treasurer's ownership of the Popham Beach Club located in Phippsburg, Maine.¹ Subsequent to our receipt of your letters, we became aware that a similar question has been raised concerning the Treasurer's real estate development activities through his company Dirigo Holdings, LLC.

There is very little guidance concerning the proper application of Section 3. The Maine courts have never addressed it. The two Attorney General opinions that have been issued consider the broad question of what is prohibited by Section 3 but do not apply it to any actual fact pattern. The United States Attorney General issued an opinion in 1929 in which he concluded that Secretary of the Treasury Andrew Mellon's ownership of stock was not in violation of a federal statute with language very similar to that of Section 3, but there do not appear to be any subsequent opinions or any judicial analysis of this language. 36 U.S. Op. Atty. Gen. 12 (April 18, 1929).

As a result, it is difficult to predict how a court would address the question before us. The federal authority, as well as the language of Section 3 and Maine statutes governing the Treasurer, supports his ability to continue to hold stocks during his tenure in office, provided that he does not undertake activity on behalf of any entity in which he owns stock. In this regard, we note that in the U.S. Attorney General's 1929 opinion, he commented favorably on Andrew Mellon's ceasing to be an officer or director before he became Secretary of the Treasury and

¹ While the focus of your inquiry is art. V, pt. 3, § 3 of the Maine Constitution, Title 5, Section 122, of the Maine Revised Statutes, is also relevant to the issue you have raised. This section provides in relevant part: "The condition of the Treasurer of State's bond shall be for the faithful discharge of all the duties of his office, and that during his continuance in office he will not engage in trade or commerce, or act as broker, agent or factor for any merchant or trader..." We note that the bonds now in effect do not expressly address engagement in trade or commerce.

further noted that although he owned stock in a number of corporations, in none of them did he own a majority interest nor did "he give his time or attention to the active conduct of any incorporated business." *Id.* at 3.

FACTS

A. Popham Beach Club. Our inquiry into the Popham Beach Club (the "Club") reveals the following: The Treasurer, Bruce Poliquin, is the owner of the Club, which is located on a parcel of land located in Phippsburg, Maine. The real estate on which the Club is located also is owned by the Treasurer. All revenues and expenses of the Club are attributed personally to Mr. Poliquin.

The Club employs a manager who is responsible for the day-to-day operation of the Club. The manager's duties include the hiring of personnel, arranging for work at the Club with private contractors and making decisions on membership applications. The manager is not involved with the finances of the Club and does not have a role with regard to local permit applications. The Club has three employees, including a groundskeeper and a bookkeeper. According to the manager, she rarely speaks with Mr. Poliquin and he does not give her direction with regard to the management and operation of the Club. Mr. Poliquin states that he visits the Club infrequently, that he considers the Club to be a "passive investment" and that he has no active involvement in the management of the Club. He has further stated that he does review financial records of the Club.

The Club maintains a checking account; Mr. Poliquin alone has signatory authority for the account. All invoices for the Club are paid from the Club checking account. The real estate taxes on the property are paid from the Club account; all utilities for the Club are in the name of Mr. Poliquin. For any Club initiative, work or invoice not in the ordinary course of business, the bookkeeper or the manager contacts Mr. Poliquin. The Club is not organized as a separate entity and does not file a separate tax return. All expenses of the Club are paid by Mr. Poliquin.

B. Dirigo Holdings, LLC. Dirigo Holdings, LLC, is a Domestic Limited Liability Company organized under the laws of Maine and registered in Maine (the "Company"). Documents on file with the Maine Secretary of State indicate that Bruce L. Poliquin is the Clerk/Registered Agent and that the management of the Company is vested in the members. Mr. Poliquin has stated that he is the sole member of the Company.

The primary business of the Company is the development of the Popham Woods Condominiums located in Phippsburg, Maine. The Phippsburg Real Estate Tax Commitment Book for 2012 lists five properties in the name of the Company, "ATTN: Bruce L. Poliquin, 186 Ledgemere Rd., Georgetown, Maine." Properties at the Popham Woods Condominium are currently being marketed by Allen & Selig Realty. A Site Location Development Order issued by the Maine Department of Environmental Protection issued in April 2007 states that Dirigo Holdings (the "Applicant") planned to develop a 183 acre parcel with a 69-unit condominium development; that the estimated project cost is \$17,279,000; and that the Applicant intended to self-finance the proposed project.

Mr. Poliquin has stated that he periodically provides funds for payment of expenses of Dirigo Holdings and Popham Woods Condominium and that Dirigo Holdings employs a manager and bookkeeper who are responsible for the operation and management of the Company. Mr. Poliquin further states that he periodically consults with the manager and bookkeeper. The bookkeeper for the Company is the bookkeeper for the Popham Beach Club. As is the case with the Popham Beach Club, there is a Company bank account for which Mr. Poliquin alone has signatory authority. Mr. Poliquin is the president of the Popham Woods Condominium Unit Owner's Association.

ANALYSIS

Article V, part 3, section 3 provides in its entirety as follows:

The Treasurer shall not, during the treasurer's continuance in office, engage in any business of trade or commerce, or as a broker, nor as an agent or factor for any merchant or trader.

There is no judicial decision construing this provision of the Constitution, which has remained the same since its adoption in 1820. An opinion of the Attorney General dated January 23, 1923 sought to define the key terms in Section 3 with reference to the dictionary and court decisions construing "trade" or "business" in other contexts, and reached this conclusion:

...[O]ne holding the office of treasurer of the State of Maine is prohibited from engaging during his term of office in any business, and by that is meant any occupation or employment pursued as a calling, not of course including the learned professions, in which a person is engaged for procuring subsistence or for profit.

Op. Me. Att'y Gen. (January 23, 1923).

The only other Attorney General opinion we have found on the proper construction of Section 3 was issued in response to a general question from the Treasurer; neither opinion seeks to apply the language of Section 3 to a specific set of facts. This 1978 opinion notes that the original statute authorizing the office of Treasurer contained language similar to that of Section 3 prohibiting engagement in any business of trade. The original laws governing the office of the Treasurer also provided for his removal from office if he was absent from the State or from the duties of his office; these provisions were both grounded in the requirement that the Treasurer give full time to the duties of his office. Op. Me. Att'y Gen. (December 1, 1978) at 2. The language prohibiting the Treasurer from engaging in business was then adopted as part of the Maine Constitution. The opinion concludes:

... [W]e must conclude that the position of Treasurer, by operation of the provisions of Article V, Part 4 [sic], Section 3, requires a full-time commitment and full fidelity to the job such that other employment or the seeking of income through the regular practice

of a profession outside of the office of Treasurer would not appear to be consistent with the intent of the original Constitution.

Op. Me. Att'y Gen. (December 1, 1978) at 2.

The opinion also considers the ability of the Treasurer to receive income from other sources during his tenure in office.

The laws and constitution of the State do not bar the Treasurer from receiving income from other sources during his tenure in office. However, the practices which result in receipt of that income and sources of the income would have to be examined on a case-by-case basis to determine whether the Treasurer was engaging in business to gain the income or whether the source of the income created a conflict of interest for the Treasurer...

Id.

The 1929 opinion of the U.S. Attorney General construes language in federal law that is similar to that of Section 3.

No persons appointed to the Office of Secretary of the Treasury, or Treasurer, or Register, shall directly or indirectly be concerned or interested in carrying on the business of trade or commerce...

5 U.S.C. § 243 (formerly), see now 31 U.S.C. § 329.²

Unlike Section 3, at the time of the U.S. Attorney General's opinion, the federal prohibition applied to direct or indirect interests, and might therefore be read as stricter than the provision in the Maine Constitution. However, the only issue considered in this context was the ability of the Treasurer to own stock, given that before becoming Secretary of the Treasury Mr. Mellon had ceased to be an officer or a director in any corporation, did not own a majority of the stock, and he did not give his time or attention to the active conduct of any incorporated business. 36 U.S. Op. Atty. Gen. 12 (April 18, 1929) at 3. The U.S. Attorney General concluded that the Treasurer could receive income from stocks under these circumstances. We believe it is reasonable to read the language of Section 3 to be consistent with that conclusion.

² Current 31 U.S.C. § 329 reads in pertinent part:

Limitations on outside activities

(a)(1) The Secretary of the Treasury and the Treasurer may not--

(A) be involved in trade or commerce;

(B) own any part of a vessel (except a pleasure vessel);

(C) buy or hold as a beneficiary in trust public property;

(D) be involved in buying or disposing of obligations of a State or the United States Government; and

(E) personally take or use a benefit gained from conducting business of the Department of the Treasury except as authorized by law.

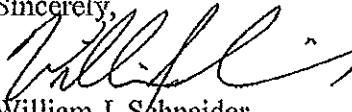
CONCLUSION

The prohibition in Section 3 of the Constitution is general and without limitation. The history of Section 3 and its predecessor statute demonstrates the intent to require the Treasurer to make a full-time commitment, to give full fidelity to the job of Treasurer, and to preclude him from engaging in or carrying on a trade or business that would divert his attention from this commitment. It is reasonable to conclude that Section 3, like the comparable federal statute, permits the Treasurer to continue to hold personal investments, such as stocks and bonds, while in office, given that there is nothing in the Maine Constitution or in statute that requires divestiture. It is also clear that the Treasurer cannot accept other employment or provide services to others while in office. There is no language, history or precedent identifying any activities the Treasurer may engage in with respect to his personal investments and business ventures without violating Section 3.

With respect to the Treasurer, any activities related to the active management of stock or other ownership interests should be handled by third persons in the absence of any authority suggesting that such activities are acceptable when undertaken directly. During the Treasurer's term in office he should take steps to disassociate himself from the active management of any of the entities in which he is invested and any entities in which he is the sole owner or principal or agent. Furthermore, he should not appear before any governmental bodies on behalf of entities that he owns.

I hope that this information and analysis proves to be useful.

Sincerely,



William J. Schneider
Attorney General

cc: Bruce, Poliquin, State Treasurer
Paul LePage, Governor
Senator Kevin Raye, Senate President
Representative Bob Nutting, Speaker of the House
Senator Barry Hobbins, Senate Minority Leader
Representative Emily Cain, House Minority Leader

**DOMESTIC
LIMITED LIABILITY COMPANY
STATE OF MAINE
ARTICLES OF ORGANIZATION OF
LIMITED LIABILITY COMPANY**

(Mark box only if applicable)

- ☐ This is a professional limited liability company** formed pursuant to 13 MRSA Chapter 22-A to provide the following professional services:

(type of professional services)

Filing Fee \$175.00

File No. 20052990DC Pages 2
Fee Paid \$ 175
DCN 2051041500062 LTLC
FILED
04/06/2005


Deputy Secretary of State

A True Copy When Attested By Signature

Deputy Secretary of State

Pursuant to 31 MRSA §622, the undersigned executes and delivers the following Articles of Organization of Limited Liability Company:

FIRST: The name of the limited liability company is

Dirigo Holdings, LLC

(The name must contain one of the following: "Limited Liability Company", "L.L.C." or "LLC"; 31 MRSA §603-A.1)

SECOND: The name of its Registered Agent, an individual Maine resident or a corporation, foreign or domestic, authorized to do business or carry on activities in Maine, and the address of the registered office shall be:

Bruce L. Poliquin

(name)

125 Vaughan Street, Portland ME 04102

(physical location - street (not P.O. Box), city, state and zip code)

(mailing address if different from above)

THIRD: ("X" one box only)



A. The management of the company is vested in a member or members.



B. 1. The management of the company is vested in a manager or managers. The minimum number shall be _____ managers and the maximum number shall be _____ managers.

2. If the initial managers have been selected, the name and business, residence or mailing address of each manager is:

Name

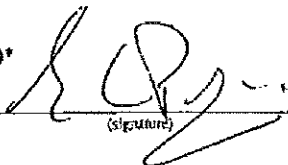
Address

☐ Names and addresses of additional managers are attached hereto as Exhibit _____, and made a part hereof.

FOURTH: Other provisions of these articles, if any, that the members determine to include are set forth in Exhibit _____ attached hereto and made a part hereof.

FORM NO. MLLC-6 (1 of 2)

Organizer(s)*


(signature)

DATED

April 1, 2005

Bruce L. Poliquin
(type or print name)

(signature)

(type or print name)

(signature)

(type or print name)

For Organizer(s) which are Entities

Name of Entity

By

(authorized signature)

(type or print name and capacity)

Name of Entity

By

(authorized signature)

(type or print name and capacity)

Name of Entity

By

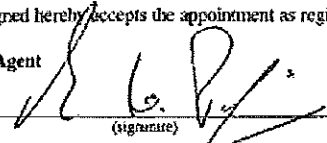
(authorized signature)

(type or print name and capacity)

Acceptance of Appointment of Registered Agent

The undersigned hereby accepts the appointment as registered agent for the above-named limited liability company.

Registered Agent


(signature)

DATED

April 1, 2005

Bruce L. Poliquin
(type or print name)

For Registered Agent which is a Corporation

Name of Corporation

By

(authorized signature)

(type or print name and capacity)

Note: If the registered agent does not sign, Form MLLC-18 (31 MRSA §607.2) must accompany this document.

**Examples of professional service corporations are accountants, attorneys, chiropractors, dentists, registered nurses and veterinarians. (This is not an inclusive list -- see 13 MRSA §723.7)

*Articles MUST be signed by:

- (1) all organizers OR
- (2) any duly authorized person.

The execution of this certificate constitutes an oath or affirmation under the penalties of false swearing under 17-A MRSA §453.

Please remit your payment made payable to the Maine Secretary of State.

SUBMIT COMPLETED FORMS TO: CORPORATE EXAMINING SECTION, SECRETARY OF STATE,
101 STATE HOUSE STATION, AUGUSTA, ME 04333-0101
FORM NO. MLLC-6 (2 of 2) Rev. 8/1/2004 TEL. (207) 624-7740

Maine Secretary of State



**2011 Annual Report
Electronic Filing Acknowledgment**

For Limited Liability Companies on file as of December 31, 2010

Charter Number: 20052990DC
DCN Number: 2110019065277
Legal Name: DIRIGO HOLDINGS, LLC

Registered Agent's Name and Address:

BRUCE L. POLIQUIN
P.O. BOX 1233
YARMOUTH, ME 04096

Brief statement of the character of the business:

REAL ESTATE DEVELOPMENT; LIMITED LIABILITY COMPANY.

Name and Address of Member:

BRUCE L. POLIQUIN
186 LEDGEMERE ROAD, GEORGETOWN, ME 04548

Date of Filing: April 13, 2011

Name and Capacity of Authorizing Party:

STEVEN F. BOYCE, BUSINESS MANAGER